

1 BEFORE THE
2 ILLINOIS COMMERCE COMMISSION
3 IN THE MATTER OF:)
4)
5 EQUINOX INTERNATIONAL, LLC,)
6 Application for a certificate)
7 of interexchange authority to)
8 operate as a reseller of)
9 telecommunications services in))
10 the State of Illinois.)
11) No. 00 -0211
12
13 Chicago, Illinois
14 April 13, 2000
15
16 Met pursuant to notice at 2:00 p.m.
17
18 BEFORE:
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20 SHERWIN ZABAN, Administrative Law Judge
21
22 APPEARANCES:
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24 RICHARD M. PIERCE, Applicant.
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26 SULLIVAN REPORTING COMPANY, by
27 Carla J. Lala, CSR
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I N D E X

			Re-	Re-	By
Witnesses:	Direct	Cross	direct	cross	Judge
	(NONE PRESENTED.)				

E X H I B I T S

Number	For Identification	In Evidence
	(NONE MARKED BY REPORTER.)	

1 JUDGE ZABAN: By the authority vested in me
2 in the Illinois Commerce Commission, I call file
3 No. 00-0211.

4 The application of Equinox
5 International LLC, application for certificate of
6 interexchange authority to operate as a reseller
7 of telecommunications services in the State of
8 Illinois.

9 (Witness sworn.)

10 RICHARD PIERCE,
11 called as a witness herein, having been first duly
12 sworn, was examined and testified as follows:

13 DIRECT EXAMINATION

14 BY

15 JUDGE ZABAN:

16 Q Would you state your name for the
17 record?

18 A Richard M. Pierce.

19 Q Mr. Pierce, what is your capacity with
20 Equinox International?

21 A I'm a managing partner.

22 Q Okay. Where are you located?

1 A Elgin, Illinois.

2 Do you want the address.

3 Q Yes?

4 A 575 Tollgate Road, Suite B, Elgin,
5 Illinois 60123.

6 Q Mr. Pierce, you filed an application on
7 March the 6th with the Illinois Commerce
8 Commission, an application to operate as an
9 interexchange authority as a reseller of
10 telecommunications; is that correct?

11 A Yes.

12 Q And did you personally supervise the
13 filling out of this application?

14 A Yes, I did.

15 Q And have you had an opportunity to look
16 at this application since you filled it out or
17 prior to filling it out?

18 A Prior to filling it out. I haven't
19 looked at it since.

20 Q Okay.

21 To the best of your knowledge
22 everything -- and this does have your signature;

1 is that correct?

2 A Yes.

3 Q To the best of your knowledge,
4 everything contained in here is true?

5 A Yes.

6 Q What -- you have additional exhibits
7 including contracts, I believe, you have a
8 financial statement and a little brief information
9 about all the people that are involved; is that
10 correct?

11 A Yes.

12 Q Has any of that information changed?

13 A Not substantially.

14 Q At this time.

15 You are currently -- you
16 currently have a certificate to do business in the
17 State of Illinois; is that correct, and, in fact,
18 are incorporated in the State of Illinois?

19 A That's correct.

20 Q That being the case, what I'll do is
21 I'll introduce your application and the exhibits
22 into admission as a -- into evidence as a document

1 and the information contained therein will be part
2 of the record, okay.

3 A Yes.

4 Q I have a couple questions to ask you.

5 I see judging by your financial
6 statement that Illinois is not the only place that
7 Equinox International International is doing
8 business; is that correct?

9 A That's correct.

10 Q It's doing business in couple other
11 states?

12 A Just one other New Jersey engine.

13 Q Do you plan ongoing into business any
14 other states besides New Jersey and Illinois?

15 A No, we do not.

16 Q What is your prime nature of business
17 going to be as a reseller?

18 A Basically, reselling MCI World Com long
19 distance services.

20 Q And how do you plan on getting your
21 customers?

22 A We have a very substantial customer base

1 where we have sold equipment for years. It's been
2 part of our business for years, which we
3 anticipate going to those customers and selling
4 them this business as well.

5 Q Those are people you have a prior
6 existing relationship with?

7 A Yes.

8 Q Do you plan on doing any advertising in
9 the future?

10 A No, most of ours will be word of mouth.

11 Q Will this be mostly long distance
12 calling, is that the idea?

13 A Yes.

14 Q And you are not going to have any
15 facilities based in Illinois; is that correct?

16 A We have no plans to do that.

17 Q Now, who are some of the people that are
18 going to be involved in the technical aspect of
19 this business?

20 A I believe we gave a short bio of
21 Mr. McCuen (phonetic) is included in the package.

22 Other people will be because of our

1 equipment business we have two technicians that
2 will be involved so we can do field service, if we
3 have to put in T-1s or things of that nature we
4 can employ people.

5 We also have folks in the office
6 that are familiar with long distance for providing
7 service for the customer service base.

8 Q And I noticed there was a Equinox
9 Systems?

10 A Yes.

11 Q Is that a wholly owned subsidiary or is
12 this a separate?

13 A It's a separate corporation.

14 Q That's the reference you made to the
15 previous systems you installed; is that correct?

16 A Yes.

17 Q Are you familiar with the term slamming?

18 A Yes, I am.

19 Q What steps does your company intend to
20 do to prevent slamming?

21 A Generally, we feel the best way is to
22 put a pick freeze on with Ameritech.

1 Q Okay.

2 A That's about the only known way of

3 really truly preventing it that we are aware of.

4 Q Are you familiar with the term cramming?

5 A No.

6 Q Off the record for a second.

7 (Whereupon, there was an

8 off-the-record discussion.)

9 JUDGE ZABAN: So I can take it, that based on

10 the fact that you do have a prior relationship

11 with these people, we you don't have to worry

12 about your attempt to cram?

13 A Absolutely not.

14 Q One of things we talked about is

15 third-party aggregates. Are you familiar with

16 that?

17 A Yes.

18 Q You won't allow any of that?

19 A No, we do not.

20 Q Okay. Now, you had asked for an

21 exception, for some of the exceptions.

22 Are your customers going to be

1 listed in the directories?

2 A In the yellow pages?

3 Q Yeah, in the yellow pages.

4 A Yes, I would imagine they would be, yes.

5 Q Let me save that for the time being.

6 You did ask for an extension

7 because you said you want to retain your books in

8 Elgin; is that correct?

9 A Yes.

10 Q Okay.

11 In fact, it's an Illinois based

12 company anyway, so they will be available for --

13 A Yes, we have no plans --

14 Q I notice I guess the only other possible

15 discrepancy that I saw was the fact of your

16 registered agents in Park Ridge?

17 A That's our accounting firm office we use

18 the accounting firm --

19 Q But the books will remain at the main

20 headquarters, correct?

21 A That's correct.

22 Q I think that's pretty much all I have to

1 ask.

2 You have also indicated that you

3 are going to have a -- you have an 800 number for

4 problems?

5 A That's correct.

6 Q What about 911?

7 A We will not sell 911.

8 Q That won't be provided as part of your

9 service for your customers?

10 A No.

11 Q Will they have access to 911, do you

12 know.

13 Let me rephrase that: 911 the only

14 time we will be involved with 911 is only IF MCI

15 or Ameritech'S providing it.

16 Q All right.

17 By the way, one other question have

18 you ever contracted with MCI for them to provide

19 your service?

20 A Yes.

21 Q Then -- do you have anything else to

22 say?

1 A No, sir.

2 Q I'm going to mark this heard and taken.

3 And you'll receive an order from the Commerce

4 Commission.

5 A Okay.

6 Q Thank you very much.

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8 HEARD AND TAKEN

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